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Senate Ethics Panel Opens Preliminary Inquiry Into Brooke's Finances

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BOSTON, June 1—The Senate ethics committee today opened a preliminary investigation into allegations that Senator Edward W. Brooke made a false statement in a legal deposition here and may have failed to comply fully with the Senate financial disclosure regulations, its chief counsel said.

J. B. Valentine, the committee's counsel, said the preliminary investigation had been authorized by the chairman, Senator Adlai E. Stevenson, Democrat of Illinois, and by the vice chairman, Senator Harrison Schmitt, Republican of New Mexico, after a long telephone conference today. The Senate is in recess and both men were in their home states, he said.

Acknowledged Contradiction

Mr. Brooke, a Massachusetts Republican, is the second senior United States Senator to come under scrutiny by the ethics committee recently as the result of a late last month, Senator Herman Talmadge, Democrat of Georgia, requested that the committee investigate the propriety of his accepting and not reporting gifts of cash from constituents.

The Senate investigation of Mr. Brooke further complicates his political position. He acknowledged in a televised news conference Tuesday that he made a misstatement on a deposition in his divorce case taken on May 17, 1977. The judge in the divorce case has ordered a public hearing on June 7 to sort out the contradicting reports. If the court were to decide that Mr. Brooke lied in the deposition he could face prosecution under the state's perjury statutes.

If the Senate committee's preliminary investigation discovered evidence of failure to make a full financial disclosure under Senate rules or illegal and improper conduct outside the Senate, the staff may recommend a formal, full-fledged inquiry into Mr. Brooke's affairs, Mr. Valentine said. He said the preliminary investigation "conceivably" could be completed by June 15.

Mr. Brooke's difficulties appear to grow out of his increasingly bitter divorce action, which he and his wife entered into

in July 1976. In May 1977, Mr. Brooke said in a sworn deposition that he owed \$49,000, which he said was an accumulation of small loans, to A. Raymond Tye, a prominent Boston liquor dealer.

On May 26, 1978, The Boston Globe published a long report saying that after a series of conflicting interviews, Mr. Brooke had acknowledged to its reporters that he had made a "misstatement" in the deposition.

"When I told you when I was here that Ray Tye never loaned me \$49,000 it was God's truth," the Globe quoted Mr. Brooke as saying. Mr. Brooke said at a news conference that only \$2,000 of the \$49,000 was a loan from Mr. Tye and that the remainder was derived from an insurance settlement of an accident involving his wife's mother. He acknowledged that by making the money appear to be a loan from Mr. Tye he reduced his liability in the divorce action.

Requirement on Reporting

Under the new Senate code of ethics, Mr. Brooke should have reported any loan over \$2,500. If his first version of events is correct, he should have reported

his loan from Mr. Tye. When his financial disclosure statement was made public last month there was no loan of that type listed.

In today's editions, the Globe published a series of what it said were further contradictions in Mr. Brooke's account of how he handled family money arising from the insurance settlement of the accident involving his mother-in-law.

Robert Waite, Mr. Brooke's press aide, said the Senator declined to comment on today's report because his lawyer had told him the judge ordered that no further public statements be made on the case until next Wednesday's hearings. Mr. Waite said, however, that he felt the Senator could straighten the matter out if he were free to discuss it.

Mr. Valentine said that the ethics committee staff has the power to subpoena information but that he expected most records in the case would be delivered voluntarily. He said the matter would be handled "briskly" and the full resources of the committee would be brought into play.

The Brooke matter appears similar to the case involving Mr. Talmadge. In a deposition in connection with his divorce in Georgia, Mr. Talmadge was asked why he never had written any checks. His answer was that he received donations of pocket money from constituents. On May 24, after public protest, Mr. Talmadge requested that the ethics committee investigate the propriety of his actions.

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